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Malaysia

Agricultural Situation

Malaysia's 2002 Budget: Duties Reduction on Imported Food Items 2001

Approved by:

Bonnie Borris

U.S. Embassy, Kuala Lumpur

Prepared by:

Jacelyn Chang

Report Highlights:

The reduction of duties in selected food categories such as seafood and fresh, dried and preserved fruits will spur imports of these items from the U.S.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Kuala Lumpur [MY1], MY

The Malaysian 2002 Budget presented on October 19, 2001 showed a generous reduction in duties for some category of imported food items. The import duties on 44 food products, whether fresh, dried or processed, have been reduced anywhere from 20% to 1%. There are no new taxes being imposed. A list of the revised duties for a number of selected food items is appended. Duties for food items not mentioned in this report remain unchanged.

The reduction in duties on twenty-six fresh and processed seafood items creates good opportunities for imports of roes of marine and freshwater fish, pacific salmon, herring and cod from U.S. Duties on other seafood items such as salmon, lobster, oysters, scallops and mussels were reduced in 2000. The reduction in duties falls in line with post's strategy to promote seafood with the HRI sector. Post has contracted out a Malaysian Seafood Study, identifying the opportunities available for US seafood exporters. The study is expected to be ready before the end of this year.

As for fruits, the reductions in duties sweep across the fresh, dried and processed. Post estimates a significant increase in fresh plum exports from US. Increases in sales of U.S. nectarines and peaches are expected as well. The prospects of increasing sales of U.S. dried fruits are on the horizon with duties lowered from ten to five percent. The position of the U.S. as the market leader for raisins and prunes will be enhanced as well.

**APPENDIX: REVISED DUTIES EFFECTIVE OCTOBER 20, 2001 FOR A NUMBER OF
SELECTED FOOD ITEMS.**

Code Tariff	Product Description	Current Rate (%)	Propose d Rate (%)
030520100	Livers and roes, of cod	20	8
030520210	Livers and roes, smoked, of salmon	12	8
030520220	Livers and roes, dried, salted or in brine	8	7
030520310	Livers and roes, of other marine fish, smoked	12	8
030520320	Livers and roes, dried, salted or in brine of other marine fish	8	7
030520410	Livers and roes, of freshwater fish, smoked	20	8
030530100	Livers and roes, of marine fish	10	7
030541000	Pacific salmon, smoked including fillets	20	7
030542000	Herrings (<i>clupea harengus</i> , <i>clupea pallasii</i>)	20	7
030549000	Other smoked fish including fillets	20	7
030551000	Cod, dried, whether or not salted	20	7
030559100	Ikan bilis, dried	8	7
030559200	Fishmaws, dried	8	7
030559300	Shark's fins, dried	8	7
030559910	Other marine fish, dried	8	7
030561000	Herrings, salted but not dried or smoked	10	7
030562000	Cod (<i>Gadus morhua</i> , <i>ogac</i> , <i>macrocephalus</i>)	10	7
030563000	Anchovies (<i>Engraulis</i> spp.)	10	7
030569100	Fishmaws	8	7
030569200	Shark's fins, salted but not dried or smoked	8	7
030569910	Other marine fish, salted but not dried	8	7
030621100	Rock lobster, in airtight containers	12	8
030622100	Lobster, in airtight containers	20	8

030623110	Shrimps and prawns, in shell cooked by steaming or by boiling in water, dried , salted or in airtight containers	20	8
030624100	Crabs, in airtight containers	20	8
030629100	Other crustaceans, in airtight containers	20	8
040900000	Natural honey	5	2
071040000	Sweet corn, uncooked or cooked, frozen	12	8
071110100	Onion, preserved by sulphur dioxide gas	10	7
071120100	Olives, preserved by sulphur dioxide gas	10	5
071130100	Mushrooms, preserved by sulphur dioxide gas	10	7
071140100	Cucumbers, preserved by sulphur dioxide gas	10	7
071190910	Other vegetables, preserved by sulphur dioxide gas	10	7
071410100	Dried manioc chips	5	2
080510200	Oranges, dried	10	5
080520120	Mandarin, dried	10	5
080590000	Other citrus fruits, fresh or dried	20	10
080620000	Grapes, dried	10	5
080930000	Peaches, including nectarines, fresh	10	5
080940100	Plums fresh	10	5
081040000	Cranberries, bilberries and other fruits of the genus vaccinium	10	5
081050000	Kiwifruits	30	15
081110100	Strawberries containing added sugar or other sweetening matter	10	5
081110200	Strawberries not containing added sugar or other sweetening matter	10	5
081120100	Rasberries containing added sugar or other sweetening matter	10	5
081120200	Berries and black, white or red currents not containing added sugar or other sweetening matter	5	2
081190100	Other fruits and nuts containing added sugar or other sweetening matter	10	5

081190200	Other fruits and nuts not containing added sugar or other sweetening matter	10	5
081210000	Cherries, preserved	10	5
081220000	Strawberries, preserved	10	5
081290000	Other fruits and nuts, preserved	10	5
081310000	Apricots, dried	10	5
081320000	Prunes, dried	10	5
081330000	Apples, dried	10	5
081340900	Other fruits, dried	10	5
081350200	Mixtures of nuts or dried fruits of which brazil nuts predominate	10	7
081350300	Mixtures of nuts or dried fruits of which cashew nuts predominate	10	7
081350700	Mixtures of nuts or dried fruit of which avocados predominate	10	5
081350800	Mixtures of nuts or dried fruits of which oranges or mandarins (including tangerines and satsumas)	10	5
081400000	Peel of citrus fruit or melons (including watermelons), fresh, frozen, dried or provisionally in brines, in sulphur water or in other preservative solutions	20	10
090210000	Green tea (not fermented) in immediate packing of a content not exceeding 3 kg	25	5
090220000	Other green tea (not fermented)	25	5
090230000	Black tea (fermented) and partly fermented tea, in immediate packing of a content not exceeding 3 kg	25	11
090240000	Other black tea (fermented) and other partly fermented tea	25	11

End of Report